

**Ninth BRICS Labour and Employment Ministerial Meeting,
Durban, South Africa**

**Speech to the Opening Session
by the ILO Director-General Mr Gilbert F Houngbo**
Thursday, 28 September 2023

Thank you Chair,

Honourable Host Minister Nxesi,
Honourable Ministers, Excellencies,
Distinguished delegates,
Ladies and Gentlemen,

As we meet here today, the economic outlook remains highly uneven and uncertain.

While global food and energy prices have fallen from their peak levels, we continue to see a rise in the cost of living in many countries.

There's also a risk of financial distress for vulnerable nations, potentially leading to a debt crisis.

...

Growing inequalities are hindering efforts to create inclusive, sustainable, and resilient labour markets.

And climate change is bringing more frequent extreme weather events and worsening economic insecurity.

...

These crises have significantly delayed, and in some instances reversed, the post-pandemic recovery of the labour market – in so doing, exacerbating poverty and exclusion.

They come at a time of considerable change, as our economies and societies are being reshaped by transformative technologies, including Artificial Intelligence.

Whether these changes create opportunities or worsen labour market inequalities will depend on government policies.

...

Excellencies,

Labour market insecurity is widespread.

Our latest estimates show that the global jobs gap – which measures the unmet need for employment – stood at 473 million people in 2022.

Yet global employment is projected to expand by only 1 per cent this year, compared to 2.3 per cent in 2022. And in BRICS countries, the ILO anticipates employment growth of only 0.5 per cent.

This means that we will continue to face a significant deficit of jobs and incomes.

It also means that the gap between rich and poor countries in terms of employment has grown, making inequalities worse.

Low-income countries are the only ones where the jobs gap rate has gone up in the long term, from 19.1 per cent in 2005 to 21.5 per cent today.

...

Young people bear the brunt of these challenges. Those aged 15 to 24 face significantly higher unemployment rates than adults. In BRICS countries, youth unemployment stands at 18.7 per cent, a staggering four times greater than the adult rate.

Their future is therefore worrying. Nearly one in four young people are not in education, nor in employment, nor in

training. And many of those who do have work cannot access decent work.

...

Informal work is also a sad reality for about 2 billion workers - 58 per cent of all those employed. When we consider the BRICS countries, this share stands at 62 per cent of workers.

Workers in the informal economy are twice as likely to live in poverty than those in the formal sector.

In the post-pandemic period, informal employment saw a faster growth rate than formal employment.

The growth in informal employment with low earnings and low productivity contributes to inequality and jeopardises the prospects for an inclusive recovery.

...

When we also consider the rise in new and often unstable work arrangements, like platform jobs, it means there are fewer good job opportunities available.

This is made worse by the fact that more than 4 billion people worldwide still lack social protection.

This means that 4 billion people can't get healthcare or help when they are sick, they can't get support to provide for their children, and they don't have access to any kind of income when they are old or when they are unemployed.

This concerns us all. As the ILO Constitution states: “poverty anywhere constitutes a danger to prosperity everywhere”.

...

Excellencies,

In response to this dire situation, you are convening today and tomorrow to adopt an ambitious declaration on **Ensuring decent work, dignity and respect for all.**

It focuses on reigniting a virtuous circle between decent work, productivity and economic growth.

It includes supporting labour rights, providing social protection for everyone and promoting inclusive skills policies.

It also reaffirms your commitment to uphold and promote fundamental work principles and rights as crucial for achieving decent work and advancing social justice.

...

As we gather in Durban today, it also seems fitting that we prioritize increased efforts to eliminate child labour, following the Durban Call to Action adopted here in 2022.

Your renewed commitments today to expand social protection are crucial for reducing inequality, ending poverty, and fostering shared prosperity.

As your draft Declaration recognizes, this requires the expansion of both contributory and non-contributory schemes to provide at least a basic level of income security for all, as determined by each country's social protection floor.

Providing adequate protection to workers in **all** types of employment is key in this endeavour.

ILO estimates show that this increased investment will not only expand the coverage of social security, but it will also have large economic, social, and employment benefits.

The BRICS countries have already demonstrated a high degree of commitment, cooperation and knowledge-sharing on social security systems. The ILO stands ready to continue to support these efforts.

...

Your Declaration also promises to invest in skills development for workers in the informal economy and in new types of jobs.

It recognizes that skills training and lifelong learning can be transformative for the economy and society, paving the way to an inclusive recovery.

At the ILO, we particularly welcome your resolve to develop effective systems and policies for informal workers. This will help address the skills gap among those in informal jobs and rebalance labour market disparities.

...

The ILO considers that promoting **sustainable enterprises, innovation and enhanced productivity** is an important element of the process of formalization.

This should include policy integration across all economic and social sectors, with a focus on initiatives that boost productivity. At the same time improving overall working conditions, including gender equality and safe workplaces is also a vital goal.

Formal and better paid jobs mean more spending power for workers and enterprise owners, increased demand for goods and services, which stimulate the economy.

This in turn can boost job creation. In this way, a virtuous circle can be created between decent work, the improvement of productivity, and job-rich growth.

I am so encouraged that your countries have agreed to create a **BRICS Productivity Ecosystem for Decent Work Platform** under the leadership of the South African presidency.

This will complement the existing BRICS Network of Labour Research Institutes.

It is a practical step towards implementing your Declaration and promoting collaboration among BRICS countries. The result will be inclusive, sustainable trade and investment policies that help boost productivity, enhance working conditions and create jobs.

Finally, I would like to welcome BRICS Labour Ministers' ongoing commitment to involve social partners, as demonstrated by their presence here today. As you consider

enhancing social partners' involvement in the BRICS processes, I welcome your efforts to strengthen their role.

....

Honourable Ministers,

The ILO looks forward to continuing to support the vibrant BRICS partnership.

This Ministerial Meeting provides a moment of opportunity. And we must seize it.

With political commitment and ambitious, integrated policy approaches, we can take the right steps to make decent jobs, universal social protection, and just transitions a reality for us all.

I look forward to having a good and successful meeting.

I thank you so much.